

MINUTES OF THE
REGIONAL WATER PLANNING GROUP "T"
Wednesday, April 9, 2008
Liberty Hall
805 E. Main Street, Nacogdoches, Texas

1. Call to Order – Chair Kelley Holcomb called the meeting to order at 10:12 a.m.
2. Invocation & Pledge of Allegiance – Mr. Michael Harbordt opened the meeting with the invocation. Kelley Holcomb led the group in the Pledge of Allegiance.
3. Roll Call and Determination of Quorum – Chair Holcomb introduced Lila Fuller and Stacy Corley with the City of Nacogdoches who had taken over the administrative duties for the water planning group. The roll was called by Lila Fuller and a quorum was determined as follows:

Voting Members Present (17 of 22)

David Alders
Jeff Branick
George P. Campbell
Jerry Clark
Josh David
Judge Chris Davis
Dr. Michael Harbordt
William Heugel
Kelley Holcomb
Bill Kimbrough
Glenda Kindle
Duke Lyons
Monty Shank
Honorable Hermon Reed
Darla Smith
Worth Whitehead
Dale R. Peddy

Voting Members Absent (4)

David Brock
Robert Stroder
Dr. J. Leon Young
Ernest Mosby

Proxies

Monty Shank for David Brock

Non-Voting Members Present

Temple McKinnon, TWDB
Terry Stelly, Texas Parks & Wildlife
Connie Standridge
Bobby Praytor
Linda Parker, Texas Dept of Agriculture
Terry McFall, USDA

Other Guests Present

Dawn Pilcher, LNVA
Kenneth Williams, City of Diboll
Bill Tetley, Sierra Club
Billy D. Sims, KSA Engineers

4. Consideration and Approval of the Minutes for the January 23, 2008 meeting. Chair Kelley Holcomb referenced the minutes in the packet. An editing comment on Item 4 was struck from the official document. Glenda Kindle moved for approval with removal of the editing comment. Motion seconded by Bill Kimbrough. Motion carried unanimously.
5. Report from City of Nacogdoches – Lila Fuller gave a brief report on the transfer of administrative duties, which began on February 29, 2008. She expressed her appreciation to Chair Holcomb, Darla Smith and Temple McKinnon for their assistance and stated she looked forward to working with the East Texas Regional Water Planning Group. Ms. Fuller reported that the funds received from DETCOG for both administration and the planning grant had been deposited into two separate checking accounts with Regions Bank in Nacogdoches and there were no expenses to report at this time. She provided financial reports to the members. It was asked whom to contact with questions and Ms. Fuller stated she was the primary contact, but that Stacy Corley could also field questions in her absence. She further stated that the Nacogdoches Recreation Center had been reserved for the next meeting and apologized for the necessary change in the meeting location for this meeting.

Chair Holcomb pointed out that the ETRWPG website had been updated with the new contact information.

6. Reports from adjoining regions activity:
It was noted by Chair Holcomb that David Brock and Glenda Kindle have asked to be replaced as the ETRWPG representative on Regions C and D Regional Water Planning Groups and he was seeking volunteers to serve in these positions. He stated that both members had served in these positions for many years and replacements were probably long overdue.
 - A. Region C – Connie Standridge reported that Region C met on February 25 and reviewed the RFP for the 2009-2011 Scope of Work. She stated that the next meeting was scheduled for June 2, 2008.
 - B. Region D – Glenda Kindle reported that Region D met on March 21 to review the new Phase 2 planning. She stated that they would be soliciting public comment for the third round project and would be making application for a water planning grant.

- C. Region H – David Alders – Meeting held on February 6. Meeting planned for early to late May for public comments for next project round. Mr. Alders stated that Temple McKinnon (TWDB) was now the Region D representative that covered some of East Texas.

At this time Chair Holcomb recognized Temple McKinnon with the Texas Water Development Board who briefly reviewed action taken at the Region H meeting in February, to include discussion on the scope of work for the next round and update of tasks. She stated there was a discussion by the Region H group about membership and nominations process for the Environmental Flows Bay Basin Stakeholder group for the Trinity and San Jacinto basins.

Ms. McKinnon stated she also was the TWDB representative for Region H (Houston area), Region I (East Texas), Region D (Sabine Basin) and the interim representative for Region O due to staff changes.

Mr. Alders pointed out that regional liaisons were authorized to attend the regional meetings. Chair Holcomb reminded the group that money was available in the budget to reimburse members of the planning group to travel and encouraged members not supported by an entity to request travel reimbursement.

7. Reports from Standing Committees

- A. Executive Committee – Kelley Holcomb briefly reviewed the seamless transition of administrative duties from DETCOG to the City of Nacogdoches. Chair Holcomb referenced the new format for the agenda packet and that a separate agenda page for meetings of the Standing Committees had been added to meet the requirements of the Texas Open Meetings law. He requested that the committee chairs notify him or Lila Fuller prior to the agenda deadline of any committee agenda items they may have.
- B. Finance Committee – Chair Darla Smith reviewed the finance report. She stated the proposed budget for 2008-09 would be presented at the June meeting once the committee had reviewed the financial records.
- C. Bylaws Committee – Chair David Alders reported that the Bylaw amendments were approved at the last meeting and there was nothing further to report. Chair Holcomb asked Mr. Alders to provide a copy of the approved Bylaw amendments to Lila Fuller so that the official Bylaws could be updated. It was also suggested by Mr. Alders that the Bylaws be posted on the website.
- D. Technical Committee – Chair Mike Harbordt reported that the Technical Committee was proposing they be authorized to work with Schaumburg and Polk Engineers on the application for Phase 2 Scope of Work and tasks. He stated the Technical Committee would review all the grant issues prior to consideration by the ETRWPG.

Chair Holcomb stated that Gary Graham with SPI would be working closely with the Technical Committee on all future planning issues.

- E. Nominations Committee – Chair George Campbell stated the Nominations Committee had not met. He stated there was one vacancy for small business that would be addressed in the near future. He stated they would be looking closely at geographical representation to fill this vacancy.

Chair Holcomb inquired as to the condition of member Ernest Mosby. It was stated that his condition was unknown at this time, but it could be a long-term condition. Chair Holcomb asked Mr. Campbell to contact Mr. Mosby and determine if his position should be filled. Chair Holcomb also authorized Mr. Campbell to send a card or flowers from the ETRWPG if appropriate.

8. Reports from other state agencies.

- A. Texas Department of Parks & Wildlife – Terry Stelly announced they were working through the stakeholder’s group process and were reviewing names submitted. To answer a question raised at the January 23 meeting regarding his presentation on the “dead zone”, Mr. Stelly referenced an article in the January Environmental Sciences and Technology magazine, Volume 42 on USGS flow data from the Mississippi Basin that answered Glenda Kindle’s question at the January meeting regarding what contribution atmospheric nitrogen had on nitrogen input from the Mississippi. He stated the article identified sources of nitrogen and air contribution (16%) and broke it down by crops within the Mississippi Basin. He stated the research done was very impressive and indicated that soy and corn contributed over 70% of the nitrogen and phosphorus into the Mississippi Basin that reaches the Gulf. Mr. Stelly stated he had some graphics from the study that he had already used in some presentation, and that he could make it available to other members of the group. There was discussion of the facts in the article and their relevance to Region I. It was also discussed how shrimping and crabbing were affected in the Gulf Coast due to the “dead zone” affects. He stated imports, over capitalization, fuel costs and the dead zone all affected the shrimping industry in Texas.

Chair Holcomb stated he would like to see the study posted on the ETRWPG web page in the future under educational information.

- B. Texas Department of Agriculture – Linda Parker had no report to present. Chair Holcomb stated Linda had recently replaced Cliff Todd and they hoped to get her more involved in the planning process as time goes on.

9. Report from Texas Water Development Board Staff – Temple McKinnon reminded the group of the scope of work deadline of June 13 for the next regional plan. She reported that she was working now with Region D, North East Texas, which would meet in May. She reported the Water Conservation Advisory Council met and received a briefing of how their water use survey worked and how it could be used for projections for Region I. Temple stated that due to staff changes, Kevin Kluge would now be leading the water use survey team. She referenced the legal requirement that groups submit their water use information, to include type and volume of use of water in system, to TWDB. She referenced the TWDB website to obtain projections and water use data by TWDB to determine water use.

She did state that it took 6-7 months to compile and update the information. She commented on how the survey was a useful tool for planning groups to determine water demands in order to make accurate projections. Temple further explained that TWDB recognized the importance of providing information on water use per capita and had hired additional staff to work with the Water Conservation Advisory Council to make this information available.

Chair Holcomb stated in his opinion this was the only comprehensive document required by statute that provides the comprehensive information needed to identify the small water users in Phase 1 planning.

Ms. McKinnon reported that in the Water Conservation Advisory Council meeting, they voted that the TWDB request that the 16 regional water planning groups submit by October 1, 2008 and then annually thereafter 1) a list of conservation strategies, including the region's current water plan, 2) expected water savings on an annual basis using the listed water conservation strategies reported, 3) a list by water user of the amount of water saved on an annual basis based on the water savings implemented, and 4) a list of additional water conservation strategies considered by the region. She stated TWDB staff had already done the first two items. Ms. McKinnon stated the recommendation from the WCAC was not unanimous, and was nothing that TWDB could mandate planning groups to implement. She clarified the action by WCAC was a recommendation at this point, but was not mandated by TWDB.

Glenda Kindle asked what the TWDB required of the agricultural and industrial users to track actual water usage, and how better numbers could be obtained for these users. Glenda also stated that in order to know future water supply demands it would be useful to track agricultural users such as poultry farms, who use large amounts of water to get viable numbers to assist in future planning.

Ms. McKinnon stated TWDB funds efforts for imagery and works with the rural water districts for permits, but there are no surveys of producers individually.

David Alders stated that information from the Groundwater Conservation Districts is used, as well as data from the rural water districts through the surface water contracts.

Chair Holcomb stated that at the end of the Round 3 Phase 2 planning there would be a recommendation process to go through and this item should be added to the list.

10. Report from Consultant Team – Gary Graham, Schaumburg & Polk.

Mr. Graham passed out CDs to each member providing background information related to the funding application needed to prepare and submit for the next funding cycle. He explained most of the information was off of TWDB web page. He further stated the RFP was included, as well as guidelines for preparation of the application.

Updated the status of work ongoing for Round 3 Phase 1 by task:

- Task #1: Inter-Regional Coordination with Regions C, D and I on the Toledo Bend Project: Mr. Graham reported that he met Monday, January 28, 2008 at Lake Tawokoni with representatives of the Sabine River Authority, North Texas, Tarrant County and Dallas Water Utilities. Good meeting, reviewed work on last planning cycle for potential transfer of that water management strategy. One conclusion they came to for purpose of ongoing work was to change the amounts of water contemplated in last planning cycle of 100,000 acre feet for Region D, 100,000 acre feet for Dallas Water Utilities and 200,000 acre feet each for Tarrant and North Texas. Reasons were, time available and ability to complete each study within their time schedule. Mr. Graham stated this work was ongoing concerning points of origin and points of supply, as well as information on water quality and naturalized stream flows necessary to complete that task.
- Task #2: Identify and Develop Regional Solutions for Small Water Suppliers that Cannot meet Current or Future Water Requirements Including TCEQ Chapter 290 Requirements: Mr. Graham stated they identified 286 small water providers in Region I that serve a customer base of 1,500 customers or fewer. From the 286 water providers, they discovered 56 that have water supply deficiencies and 18 with deficiencies in storage. Mr. Graham provided a list of those small water providers that have deficiencies. He stated they were currently in the process of locating water suppliers geographically to see if two or more systems were clustered together in order to determine if a regional solution is feasible to help resolve the deficiencies.
- Task #3: Disaggregating of Data According to Types of Water Use: Mr. Graham reported that Alan Plummer & Associates was taking lead on this task and was currently working to assemble data related to those entities for whom water conservation is a water management strategy. He stated they were still gathering data in order to demonstrate how much water is being used for institutional, industrial, commercial and residential purposes for each category. This is similar to the efforts that the Water Conservation Task Force has ongoing.
- Task #4: Supply from Murvual Lake to Martin Lake: Mr. Graham stated Freese-Nichols was taking the lead on this task and was having some difficulty identifying people that can actually make a decision on this issue.
- Task #5: Complete Water Management Strategy for LNG Facility in Jefferson County and Develop Water Management Strategies to Supply Recently Announced Refinery Expansions in Jefferson County. Mr. Graham reported that Schaumburg and Polk was taking the lead on this item and was working with the Lower Neches Valley Authority to identify the infrastructure necessary to serve the newly proposed industrial projects that have come onboard.

Mr. Graham stated all of the work was progressing satisfactorily on these tasks.

Mr. Graham further spoke on the application process for funding for Round 3 and explained the application process that was divided into two funding cycles and reviewed the schedule of activities for each plan cycle and presented the following Planning Recommendations:

East Texas Regional Water Planning Round 3 Phase II Planning Recommendations

1. Review population, water demand, water supply, and needs for the region. Propose new Water Management Strategies as appropriate with all required supporting information.
2. Review conservation water management strategies in light of the completed water conservation task from Round 3 Phase I in our region.
3. Review updated TWDB study on electrical generation and amend the ETRWP as indicated.
4. Complete study comparing TCEQ and TWDB databases for small water suppliers in our region and attempt to reconcile the significant differences.
5. Review new TWDB work on environmental resources and amend ETRWP as indicated.
6. Amend groundwater availability based on the predictive GAM for Gulf Coast Aquifer that was not available during Round 2 Planning.
7. Study environmental protection strategies for freshwater wetlands associated with bays and estuaries.
8. Evaluate the effects of instream environmental flow policies on water planning in East Texas.
9. Review alternatives for capturing, treating and storing flood flows.
10. Review Water Quality Impacted water bodies and their impact on surface water treatment infrastructure.
11. Review the possibility of both direct and indirect water reuse as a water management strategy in East Texas.
12. Review the impact of environmental flows on existing water rights permits (in light of the SB3).
13. Review and incorporate GMA/GCD predictive data.
14. Review and recommend the formation of GCD's for non covered areas based on unmet or impending unmet demands.
15. Review and update Agricultural demands in all categories.
16. Refine groundwater availability considering water quality and geographic restrictions.
17. Review groundwater availability based on Gulf Coast Aquifer predictive model and amend water management strategies as necessary.

Mr. Graham stated they were completing the first cycle and were preparing the application for the June 13, 2008 deadline, and reviewed the requirement to hold one public meeting to receive public input on the application prior to submittal. He stated they are planning to publish notice of the meeting on or before May 2 and hold the meeting around June 4 so that revisions could be made prior to June 13. He stated historically the planning group has only held one single meeting for funding applications in one location. He stated they have held one public hearing on the final product at the end of the planning cycle, but hold it in three locations, first in Tyler, Nacogdoches and Beaumont on consecutive nights, recessing after each meeting to give maximum opportunity to hear the presentation and make public comment. However, only one public meeting on the funding application is held in conjunction with the planning group's next regular meeting.

He stated that SPI would work closely with the Technical Committee on a list for potential study topics including ideas that will be studied for base funding as well as studies unique to the East Texas regional planning area. He explained each region has identified a target budget for accomplishing the ten areas of study incumbent on a regional water plan, with Region I setting a base budget target at approximately \$231,000.00. He stated areas of study outside of base funding would be competitive with the other regions for funding. Any of the unique studies would require a scope of work for the application processing. Mr. Graham requested that members contact him or Mike Harbort in the next 10-14 days with study areas they would like to see accomplished in the next round of planning not already identified on the list so it can be considered. Mr. Graham stated he anticipated eight (8) unique studies for Region I.

Ms. McKinnon interjected to address why you are requesting funding for these unique studies, including needs, planning, scope of work, etc. She also stated the more information provided would help in the evaluation process at TWDB. She stated there was \$4.2 million in funding for the base studies.

Mr. Graham requested comments be sent directly to himself or Mike Harbordt who would make a comprehensive list and would then pare down that list with the Technology Committee for presentation to the group about 10 days before the next meeting.

David Alders requested explanation of how the impact of supply and demand are evaluated by TWDB versus something that is an environmental issue and not a narrow water supply or demand issue, such as item #7 (Study environmental protection strategies for freshwater wetlands associated with bays and estuaries).

Mr. Graham stated that in #7, they had specifically identified that it is the Sabine-Neches watershed and coastal area and applied for funding to propose strategies that will deficiently use fresh water to protect wetlands associated with the estuaries. He stated, currently it is proposed to deepen and widen the ship cannels to increase the saltwater intrusion into those estuary systems, and explained the more you can separate the estuaries from the ship channels the better you can protect the wetlands. He further explained this is not an approach currently taken in the Sabine-Neches Basin where there is not enough water in the basin to effectively retard saltwater intrusion especially during periods of draught.

Mr. Graham stated that numbers 1, 5, 8, 14 and 15 were included in the base study.

Mr. Graham answered specific questions of the group regarding the planning recommendations presented.

11. Educational Presentation – Mr. Len Luscomb representing the Rusk County GCD presented an educational presentation “Groundwater and DFC’s” and requested ETRWPG Region I adopt a managed available groundwater plan of “Near Sustainability” for the Carrizo-Wilcox Aquifer. Handouts filed in permanent records.

12. Public Comments: None

13. Unfinished Business: None

A. Consideration and possible approval of a request to amend recommended water management strategy for the City of Diboll. Chair Holcomb introduced Billy Sims with KSA Engineers and Kenneth Williams, City Manager with the City of Diboll to present their request.

Mr. Sims explained the City of Diboll was applying for funds from TWDB to construct a new groundwater supply from the Yegua Aquifer. He stated that in the Region I Water Plan, this source was an alternate strategy and in order to qualify for the funds, the City of Diboll was requesting this source be identified in the state and regional plan as a recommended strategy rather than an alternative strategy.

Mr. Sims further stated the recommended strategy in the plan was to purchase water from the City of Lufkin or LNVA, however, there was no immediate plan to develop Sam Rayburn Reservoir as a water source, and when it is developed it would be at a higher cost. He stated the Yegua source would best meet the needs of the City of Diboll and would have little impact on other users of the Yegua. He stated the City of Diboll was requesting an amendment to the Region I plan to show what is currently Alternate Strategies DI-3A and DI-3B as another recommended strategy.

Temple McKinnon, TWDB stated the request was received to reclassify the alternative strategy in the Region I plan for groundwater as a recommended strategy. TWDB staff has determined that this would result in an over allocation of the groundwater supply from that aquifer based upon the data that is in the Region I plan. Prohibiting Diboll from pursuing the minor/expedited amendment process in order to amend the plan and qualify in time to apply in July for WIF. She stated, should the City of Diboll choose to pursue amending the plan to correct the information, they will need to submit the correct project information and correct data to request a demand revision if that is incorrect, or "correct"/best-available data for gw availability (Temple-Inland apparently funded studies on the aquifer that weren't utilized in the RWP development).

At this time, Chair Holcomb recessed the meeting for a short lunch break at 12:34 p.m.

The meeting was reconvened at 1:05 p.m.

After considerable discussion on the request of the City of Diboll, David Alders moved that Region I RWPG approve the City of Diboll's request to pursue amending to the Region I plan. Josh David seconded the motion and it passed unanimously.

B. Consideration and possible approval of FY 2009 Annual Budget. Darla Smith asked that this item be tabled until the next meeting to allow the committee to gather further information.

15. Chairman's Report – Chair Holcomb reviewed the actions taken by the Water Conservation Advisory Council created to advise and provide expertise in water conservation, as well as the Environmental Flows Advisory Committee to examine issues relating to protection of instream flows and freshwater inflows for the state's rivers, lakes, bays, and estuaries. Chair Holcomb encouraged members to monitor these committee activities and stay involved.
16. General discussion – Chair Holcomb stated the proposed date for the next meeting was Wednesday, June 4 at 10:00 a.m.
17. Adjournment: There being no other business, Worth Whitehead moved to adjourn the meeting, seconded by Dale Peddy.

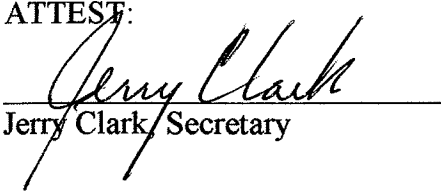
The meeting was adjourned at 1:12 p.m.

APPROVED THIS 4TH DAY OF June 2008.



Kelley Holcomb, Chair
ETRWPG – Region I

ATTEST:



Jerry Clark, Secretary